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To: Office State Actuary, WA
Subject: COLA for Plan 1 Retirees

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To: Select Committee on Pension Policy

I understand that the SCPP met yesterday. Hope you will recommend an automatic COLA for Plan 1 PERS and TRS retirees.

We are eagerly waiting for the day when we receive the same COLA as the other 12 Washington State retirement plans and don't need to ask for it each year.

I retired in 2005 at age 62 with 30.17 years of service.
My retirement pay was \$3,204.49 per month.
Now I receive \$3,428.67, a 7% increase in the 16 years since I retired.

Since 2005 those on Plans 2 and 3 will have received at least a 32.6% increase, based on the CPI during that time. That has not quite kept up with inflation for them because they are limited to a 3% increase but it is certainly much better than Plan 1 retirees. So instead of \$3,428 that I currently receive, those on the other plans, whose beginning retirement pay was the same as mine, now receive about \$4,249, over \$1,000 more a month than I do.

I might also mention that because of increased funding that the legislature gave the schools a couple of years ago, much of which went to huge salary increases for teachers and other staff, I would now be making about \$96,000 per year as a school counselor. That means those retiring this year with a MA degree and 20 or more years of experience would get \$57,600 per year in retirement pay, or \$4,800 per month.

What we are asking for is a permanent fix for Plan 1 retirees. We would like an automatic COLA based on the CPI as the other 12 plan retirees receive. Even in the last few years when we have gotten a COLA, it has been capped so it ended up being about a 1.5% increase for many certificated retirees rather than what Plans 2 and 3 received. And prior to 2010 when we received the uniform COLA, that was still less than what the other retirees received.

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